



**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ **See attachment.**

Multiple horizontal lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ **See attachment.**

Multiple horizontal lines for providing information regarding resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **See attachment.**

Multiple horizontal lines for providing other necessary information for the adjustment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here** Signature ▶ Shan Luton Date ▶ July 2, 2020

Print your name ▶ Shan Luton Title ▶ SVP, Taxes

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

**Match Group, Inc. (formerly, IAC/InterActiveCorp)**

**EIN: 59-2712887**

**ATTACHMENT TO IRS FORM 8937 – PART II**

**REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES**

***CONSULT YOUR TAX ADVISOR***

**The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”). This attachment includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Merger (as defined below) on the tax basis of shares of Class M common stock of IAC/InterActiveCorp (“IAC,” referred to as “New Match” following the name change described below) received in the Merger in exchange for shares of common stock of Match Group, Inc. (“Match”). The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of stockholders. Neither Match nor New Match provides tax advice to its stockholders. The example provided below is illustrative and is being provided pursuant to Section 6045B of the Code and as a convenience to stockholders and their tax advisers when establishing their specific tax positions. You are urged to consult your own tax advisors regarding the particular consequences of the Merger to you, including the applicability and effect of all U.S. federal, state and local tax laws and foreign tax laws. Please read the joint proxy statement/prospectus, dated April 30, 2020, that was filed with the Securities and Exchange Commission (the “SEC”), noting especially the discussion therein under the heading “Material U.S. Federal Income Tax Consequences of the Separation,” and the Forms 8-K, dated as of June 22, 2020, that were filed by each of Match and IAC with the SEC. You may access the joint proxy statement/prospectus at [www.sec.gov](http://www.sec.gov).**

**Line 14. Describe the organizational action and, if applicable, the date of the action or the date against which the shareholders’ ownership is measured from the action.**

Effective after the closing of trading on the Nasdaq Global Select Market (“NQGS”) on June 30, 2020, pursuant to the terms and conditions of the Transaction Agreement, dated December 19, 2019, by and among IAC, IAC Holdings, Inc. (“New IAC”), Valentine Merger Sub LLC (“New Match Merger Sub”) and Match, as amended as of April 28, 2020 and as of June 22, 2020, Match merged with and into New Match Merger Sub, with New Match Merger Sub surviving the merger as an indirect wholly owned subsidiary of IAC (the “Merger”). Following the effective time of the Merger, IAC was renamed “Match Group, Inc.” (“New Match”), and IAC Class M common stock was renamed “New Match common stock.” New Match common stock started trading on the NQGS under the ticker symbol “MTCH” on July 1, 2020.

Each share of Match common stock issued and outstanding immediately prior to the effective time of the Merger (other than (x) shares owned directly by IAC, Match or any wholly owned subsidiary of IAC and not held on behalf of third parties, which were cancelled and ceased to exist with no consideration delivered in exchange therefor, and (y) shares owned by any wholly owned subsidiary of Match and not held on behalf of third parties, which were each converted solely into shares of IAC Class M common stock) was cancelled and converted into the right to

receive (a) (i) one share of IAC Class M common stock and (ii) \$3.00 in cash (the “Cash/Stock Merger Consideration Amount”) or (b) 1.03370 shares of IAC Class M common stock (the “All-Stock Merger Consideration Amount” and, together with the Cash/Stock Merger Consideration Amount, the “Match Merger Consideration”). No fractional shares of IAC Class M common stock were issued in the Merger. Instead, Match stockholders received cash in lieu of fractional shares of IAC Class M common stock. The Merger is intended to qualify as a reorganization within the meaning of Section 368(a) of the Code. The following descriptions and calculations assume that the Merger so qualifies.

Please refer to the separate IRS Form 8937 describing the impact of (i) the reclassification of IAC common stock into IAC Class M common stock and IAC Series 1 mandatorily exchangeable preferred stock (and IAC Class B common stock into IAC Class M common stock and IAC Series 2 mandatorily exchangeable preferred stock) and (ii) the exchange of IAC Series 1 mandatorily exchangeable preferred stock for New IAC common stock (and IAC Series 2 mandatorily exchangeable preferred stock for New IAC Class B common stock) on the tax basis of shares in IAC Class M common stock, New IAC common stock and New IAC Class B common stock.

**Line 15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.**

The receipt by a Match stockholder of Match Merger Consideration in exchange for Match common stock in the Merger has an effect on such stockholder’s tax basis.

A Match stockholder who exchanges its shares of Match common stock solely for shares of IAC Class M common stock (New Match common stock) in the Merger generally will not recognize any gain or loss for U.S. federal income tax purposes, except with respect to cash, if any, received in lieu of fractional shares of New Match common stock. Each such Match stockholder’s aggregate tax basis in the shares of New Match common stock received in the Merger (including any fractional share of New Match common stock for which cash was received) will equal such Match stockholder’s aggregate adjusted tax basis in the shares of Match common stock surrendered in the Merger. Each such Match stockholder who receives cash in lieu of a fractional share of New Match common stock generally will recognize capital gain or loss equal to the difference between the amount of cash received and the tax basis in such fractional share, determined as described above.

Subject to the discussion set forth in the joint proxy statement/prospectus regarding (i) the possibility of deemed redemption treatment and (ii) Match stockholders who actually or constructively own IAC common stock, each Match stockholder who exchanges its shares of Match common stock for a combination of shares of New Match common stock and cash generally will recognize gain, but not loss, in an amount equal to the lesser of (a) the excess of the sum of the amount of cash and the fair market value of the New Match common stock (including any fractional share of New Match common stock for which cash was received) received over the adjusted basis of the Match common stock surrendered in exchange therefor, and (b) the amount of cash received in the Merger (in each case, excluding any cash received in lieu of a fractional share of New Match common stock). Each such Match stockholder’s

aggregate tax basis in the New Match common stock received in the Merger (including any fractional share of New Match common stock for which cash was received) generally will equal such Match stockholder's aggregate adjusted tax basis in the Match common stock surrendered in the Merger, reduced by the amount of cash received by such Match stockholder (excluding any cash received in lieu of a fractional share of New Match common stock) and increased by the amount of gain, if any, recognized by such Match stockholder on the exchange (but excluding any gain recognized with respect to any fractional share of New Match common stock for which cash is received). Each such Match stockholder who receives cash in lieu of a fractional share of New Match common stock generally will recognize capital gain or loss equal to the difference between the amount of cash received in lieu of the fractional share of New Match common stock and the tax basis in such fractional share, determined as described above.

Fair market value generally is the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of the facts. U.S. federal income tax law does not specifically prescribe how you should determine the fair market value of the New Match common stock for purposes of calculating any gain recognized upon the receipt of a combination of shares of New Match common stock and cash in the Merger. You should consult your tax advisor to determine what measure of fair market value is appropriate.

There are several methods for determining the fair market value of New Match common stock that your tax advisor may discuss with you. As an illustration, one approach that may be possible is to utilize the NQGS closing trading price on July 1, 2020 for New Match common stock (\$105.67 per share) as an indication of fair market value. You are not bound by the approach illustrated herein, and we take no position as to whether the approach illustrated herein or any other approach is appropriate. You, in consultation with your tax advisor, should determine what approach to take in determining fair market value for New Match common stock. If a Match stockholder held different blocks of Match common stock (i.e., shares acquired at different times or different prices) at the time of the Merger, such stockholder should consult its own tax advisor with respect to the determination of any gain and the tax bases of particular shares of New Match common stock received in the Merger.

**Line 16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market value of securities and the valuation date.**

The following is an example of how the above-described approach to basis determination would apply with respect to recipients of IAC Class M common stock (New Match common stock) in the Merger, which assumes that all shares of Match common stock were acquired on the same date and at the same price and that no cash is received in lieu of fractional shares of New Match common stock:

*If a Match stockholder receives the All-Stock Merger Consideration Amount in respect of each of such holder's shares of Match common stock:*

Assumptions:

- Shares of Match common stock owned immediately prior to the Merger: 1,000

- Match stockholder's aggregate tax basis in Match common stock (assumed to be \$50.00 per share): \$50,000

Aggregate tax basis in shares of New Match common stock received in the Merger:  
\$50,000

*If a Match stockholder receives the Cash/Stock Merger Consideration Amount in respect of each of such holder's shares of Match common stock:*

Assumptions:

- Shares of Match common stock owned immediately prior to the Merger: 1,000
- Match stockholder's aggregate tax basis (assumed to be \$50.00 per share): \$50,000
- Fair market value of each share of New Match common stock received in the Merger: \$105.67
- Shares of New Match common stock received in the Merger: 1,000
- Aggregate fair market value of shares of New Match common stock received in the Merger (1,000 shares of New Match common stock multiplied by \$105.67): \$105,670
- Amount of cash received in the Merger (1,000 shares of Match common stock multiplied by \$3.00/share): \$3,000
- Gain recognized by such Match stockholder (lesser of (i) \$105,670 plus \$3,000 minus \$50,000 or (ii) \$3,000): \$3,000

Aggregate tax basis in shares of New Match common stock received in the Merger (\$50,000 minus \$3,000 plus \$3,000): \$50,000

**Line 17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.**

Section 368(a), Section 354, Section 356, and Section 358.

**Line 18. Can any resulting loss be recognized?**

Match stockholders generally may not recognize any loss for U.S. federal income tax purposes as a result of the Merger, except with respect to cash, if any, received in lieu of fractional shares.

**Line 19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.**

The Merger was effective on June 30, 2020. For a Match stockholder whose taxable year is the calendar year, the reportable tax year is 2020.